

ESTTA Tracking number: **ESTTA244328**

Filing date: **10/22/2008**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92048271
Party	Plaintiff Rhino Linings USA, Inc.
Correspondence Address	David A., Harlow Nelson Mullins Riley & Scarborough LLP 4140 Parklake AvenueGlenLake One, Suite 200 Raleigh, NC 27612 UNITED STATES david.harlow@nelsonmullins.com
Submission	Other Motions/Papers
Filer's Name	Joseph S. Dowdy
Filer's e-mail	joe.dowdy@nelsonmullins.com, nancy.childers@nelsonmullins.com, reed.hollander@nelsonmullins.com, david.harlow@nelsonmullins.com
Signature	/Joseph S. Dowdy/
Date	10/22/2008
Attachments	Submission 1.pdf (46 pages)(709484 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Registration No. 1,698,407
Date of Issue: June 30, 1992

RHINO LININGS USA, INC.,)	
Petitioner,)	
)	
vs.)	Cancellation No. 92048271
)	
RAPID RACK INDUSTRIES, INC.,)	
Registrant.)	
)	

**PETITIONER'S MOTION FOR LEAVE TO FILE MOTION SUMMARY JUDGMENT
AND BRIEF IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT**

NOW COMES Petitioner Rhino Linings USA, Inc. (“Petitioner”), by and through the undersigned counsel, pursuant to Section 510 of the Trademark Trial and Appeal Board Manual of Procedure (the “TBMP”), and hereby moves the Board for leave to file a motion for summary judgment and brief in support of motion for summary judgment. This Board has broad discretion to dispose of cases on its docket and to accept, consider, and rule upon appropriate filings from the parties. Petitioner respectfully submits that the Board should exercise its discretion to accept and consider a motion for summary judgment because:

1. A motion for summary judgment and brief in support thereof would assist the Board in ruling on the other motions now pending before it by explaining the nature of evidence in this cancellation proceeding and the effect of Rapid Rack’s failures to provide proper discovery responses in this case.

2. Rapid Rack has sought to evade a motion for summary judgment (and sanctions for its discovery abuses) by filing a separate civil action at the close of the discovery period and thereafter asking the Board to suspend the present cancellation proceeding. Rapid Rack should not be permitted to avoid summary judgment by initiating a “do over” litigation strategy.

3. Although Rapid Rack should be ordered to provide proper discovery responses, the underlying substantive information actually provided by Rapid Rack in discovery—including the testimony of Rapid Rack’s Rule 30(b)(6) deposition designee—either corroborates Petitioner’s evidence of Rapid Rack’s fraud on the Trademark Office and abandonment of the RHINO RACK Mark or indicates that Rapid Rack has no evidence to rebut Petitioner’s prima facie case with respect to either claim. Given the state of the evidence, there is no reason to delay the filing of a properly supported summary judgment motion.

4. Petitioner and its counsel have expended substantial time and effort in preparing a motion for summary judgment and brief in support thereof. A copy of Petitioner’s Motion for Summary Judgment is attached hereto as Exhibit I. A copy of Petitioner’s Brief in Support of its Motion for Summary Judgment is attached hereto as Exhibit II.

WHEREFORE, Petitioner respectfully prays that the Board grant Petitioner leave to file the attached Motion for Summary Judgment and Brief in Support of its Motion for Summary Judgment, accept the same as having been filed, and consider the same in due course and allow petitioner such other and further relief as the Board deems just, necessary, and proper.

Respectfully submitted this 22nd day of October, 2008.

NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.

By: /Joseph S. Dowdy/

David A. Harlow
N.C. State Bar. No. 1887
Reed J. Hollander
N.C. State Bar No.: 23405
Joseph S. Dowdy
N.C. State Bar No. 31941
4140 Parklake Avenue/ Glenlake One, Suite 200
Raleigh, NC 27612
Direct Dial: (919) 877-3800/ Fax (919) 877-3799
E-mail: david.harlow@nelsonmullins.com
reed.hollander@nelsonmullins.com
joe.dowdy@nelsonmullins.com

CERTIFICATE OF SERVICE

I hereby certify that on this day a true and correct copy of the foregoing document has been served this day by electronic mail and by depositing copies thereof in a depository under the exclusive care and custody of the United States Postal Service in a first class postage prepaid envelope and properly addressed as follows:

David A. Dillard, Esq.
Patrick J. Ormé, Esq.
Christie, Parker and Hale, LLP
350 W. Colorado Blvd., Suite 500
Pasadena, CA 91105-1836

This the 22nd day of October, 2008.

NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.

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E-mail: david.harlow@nelsonmullins.com
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EXHIBIT I

(PETITIONER'S MOTION FOR SUMMARY JUDGMENT)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Registration No. 1,698,407
Date of Issue: June 30, 1992

RHINO LININGS USA, INC.,)	
Petitioner,)	
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vs.)	Cancellation No. 92048271
)	
RAPID RACK INDUSTRIES, INC.,)	
Registrant.)	
)	

PETITIONER'S MOTION FOR SUMMARY JUDGMENT

NOW COMES Petitioner Rhino Linings USA, Inc. ("Petitioner"), by and through the undersigned counsel, pursuant to Rule 56 of the Federal Rules of Civil Procedure and Section 528 of the Trademark Trial and Appeal Board Manual of Procedure (the "TBMP"), and respectfully moves the Board for an Order entering summary judgment in favor of Petitioner and against Registrant Rapid Rack Industries, Inc. ("Rapid Rack") with respect to all of the claims in the Petition for Cancellation. The grounds for this motion are that the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits show that there is no genuine issue as to any material fact and that Petitioner is entitled to judgment as a matter of law. In support of this relief, Petitioner refers to and incorporates herein by reference the facts, arguments, and authorities set forth in and attached to its Brief in Support of its Motion for Summary Judgment, filed contemporaneously herewith.

WHEREFORE, Petitioner Rhino Linings USA, Inc. respectfully prays that the Board grant summary judgment in favor of Petitioner and against Rapid Rack and grant Petitioner such other and further relief as the Board deems just, necessary, and proper.

Respectfully submitted this 22nd day of October, 2008.

NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.

By: /Joseph S. Dowdy/

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I hereby certify that on this day a true and correct copy of the foregoing document has been served this day by depositing copies thereof in a depository under the exclusive care and custody of the United States Postal Service in a first class postage prepaid envelope and properly addressed as follows:

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E-mail: david.harlow@nelsonmullins.com
reed.hollander@nelsonmullins.com
joe.dowdy@nelsonmullins.com

EXHIBIT II

(PETITIONER'S BRIEF IN SUPPORT OF ITS MOTION FOR
SUMMARY JUDGMENT)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Registration No. 1,698,407
Date of Issue: June 30, 1992

RHINO LININGS USA, INC.,)	
Petitioner,)	
)	
vs.)	Cancellation No. 92048271
)	
RAPID RACK INDUSTRIES, INC.,)	
Registrant.)	
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**PETITIONER’S BRIEF IN SUPPORT OF ITS
MOTION FOR SUMMARY JUDGMENT**

Petitioner Rhino Linings USA, Inc. (“Petitioner”), acting by and through the undersigned counsel, respectfully submits this Brief in Support of Its Motion for Summary Judgment.

INTRODUCTION

This matter is before the Board on Petitioner’s Motion for Summary Judgment. The issues are whether Trademark Registration No. 1,698,407 for RHINO RACK (the “RHINO RACK Mark” or the “Mark”) should be cancelled where the uncontroverted evidence shows that: (1) the registered owner of the Mark, Rapid Rack Industries Inc. (“Rapid Rack”), submitted a fraudulent Combined Declaration of Use in Commerce & Application for Renewal of Registration of a Mark in 2002 (the “2002 Declaration of Use”) to avoid automatic cancellation of the registration, and (2) Rapid Rack abandoned the RHINO RACK Mark for at least a three-year period beginning no later than 2002.

With respect to the first issue—the fraudulent submission—the undisputed evidence shows that Rapid Rack claimed that it was using the RHINO RACK Mark on “all goods” in the registration, when in fact it has never used the Mark in connection with industrial shelving, work tables with wheels, work tables without wheels, or component parts, each of which is

specifically listed in the registration. This Board has repeatedly held that, even if made accidentally, a misrepresentation of this nature is fraud on the Trademark Office that should result in cancellation of a registration as a matter of law. The 2002 Declaration of Use also was fraudulent because it claimed that an attached specimen showed the Mark as it was being used in 2002. That specimen was a box label from 1997, and Rapid Rack's own documents prove that the box design changed in 1998. Standing alone, the submission of the fraudulent 2002 Declaration of Use justifies cancellation.

If the Board reaches it, there is another basis for cancellation. With respect to this second issue—abandonment—the undisputed evidence shows that Rapid Rack discontinued the only product that it ever distributed in connection with the RHINO RACK Mark, Item No. RR4805, in 2002. Indeed, Rapid Rack's customer service representatives told callers that Rapid Rack discontinued its RHINO RACK line of products “about five years” prior to the filing of the Petition for Cancellation and replaced that product with the GORILLA RACK brand. Thereafter, Rapid Rack never used the RHINO RACK Mark in connection with any products until 2007 (at approximately the same time that Rapid Rack learned that the present cancellation was impending). This subsequent use after the three-year abandonment period is not sufficient to prevent cancellation, and there is no evidence of intent to resume use.

Summary judgment is especially appropriate under the circumstances of this case. With respect to both grounds for cancellation, Rapid Rack has been unable or unwilling to provide evidence concerning the fraudulent 2002 Declaration of Use or the abandonment of its RHINO RACK Mark. Proper application of TBMP § 527.01 precludes Rapid Rack from presenting previously withheld evidence merely to avoid a dispositive motion.

Thus, the undisputed evidence in this proceeding indicates that Rapid Rack submitted a fraudulent Declaration of Use and also abandoned its RHINO RACK Mark. In response to discovery requests and in its Rule 30(b)(6) deposition, Rapid Rack failed to provide evidence showing that the Declaration of Use was accurate or that it used the Mark during the relevant

time period, such that Rapid Rack is estopped from now presenting such evidence merely to avoid this dispositive motion. Under these circumstances, further proceedings are unnecessary and unwarranted. Petitioner is entitled to summary judgment and cancellation of Rapid Rack's Mark on both claims alleged in the Petition for Cancellation.

STATEMENT OF UNDISPUTED FACTS

I. Rapid Rack obtained registration of its RHINO RACK Mark in 1992 for “work tables with and without wheels, work benches, industrial shelving, storage racks, and component parts therefor.”

The RHINO RACK Registration of No. 1,698,407 (the “RHINO RACK Registration” or the “Registration”) is for six separate categories of products in International Class 20: “[1] work tables with . . . wheels [and (2) work tables] without wheels, [3] work benches, [4] industrial shelving, [5] storage racks, and [6] component parts therefor.”¹ Rapid Rack applied for this registration on September 12, 1990 and claimed a first use in commerce of January 8, 1991.² The Mark was published on the principal register on June 30, 1992.³ On June 1, 1998, Rapid Rack filed a Combined Declaration of Use & Incontestability under Sections 8 and 15 of the Trademark Act (15 U.S.C. §§1058 & 1065).⁴

II. In the 2002 Declaration of Use, Rapid Rack made several statements that constituted fraud on the Trademark Office.

The 2002 Declaration of Use filed by Rapid Rack on April 9, 2002 under Sections 8 and 9 of the Trademark Act (15 U.S.C. §§ 1058 & 1059) specifically stated that

The owner [Rapid Rack] is using the mark in said Registration [the RHINO RACK Mark] in interstate commerce on or in connection with all of the goods identified in the registration, as

¹ TARR Status for Registration No. 1,698,407 (Exhibit A, attached hereto), also available at <http://tarr.uspto.gov/servlet/tarr?regser=serial&entry=74096229>.

² *Id.*

³ Registration Certificate for Registration No. 1,698,407 (Exhibit B, attached hereto), also available at <http://tmportal.uspto.gov/external/portal/tow?SRCH=Y&isSubmitted=true&details=&SELECT=US+Serial+No&TEXT=74096229>

⁴ TARR Status for Registration No. 1,698,407.

evidenced by the attached specimen showing the mark as currently used (emphasis added).⁵

The underlined portion of the foregoing statement was fraudulent for several reasons.

- A. *Rapid Rack claimed that the RHINO RACK Mark was in use in connection with all of the goods listed in the Registration, when in fact, the Mark was not in use on several of the goods listed in the Registration.***

Contrary to Rapid Rack's assertion in the 2002 Declaration of Use, the Mark was never used in connection with all of the goods listed in the Registration. Of the six categories of products named in the Registration, Rapid Rack never used the Mark in connection with the following four categories: (1) "work tables with ... wheels," (2) "work tables ... without wheels," (3) "industrial shelving," or (4) "component parts." Rapid Rack's Rule 30(b)(6) designee was able to identify only one product on which the RHINO RACK Mark was used in commerce at any time prior to 2002, a product identified in Rapid Rack's computer system as RR4805, the "Rino Rack."⁶ According to the only pre-2007 information provided by Rapid Rack regarding product RR4805—a carton label designed in 1997—it is a "modular design" steel unit that can be used as a "storage rack," "work bench," or "wall unit."⁷ Further, Rapid Rack's Rule 30(b)(6) designee testified that any Rapid Rack product bearing the RHINO RACK Mark would be a low-end consumer grade product, not an industrial product.⁸ Thus, Rapid Rack has provided exactly zero evidence that it used the RHINO RACK Mark on any work tables with or without wheels or component parts, and Rapid Rack has expressly stated that it did not use the RHINO RACK Mark on industrial shelving.⁹

⁵ *Id.*; see also 2002 Declaration of Use (Exhibit C, attached hereto), also available at <http://tportal.uspto.gov/external/portal/tow?SRCH=Y&isSubmitted=true&details=&SELECT=US+Serial+No&TEXT=74096229>

⁶ Rule 30(b)(6) Deposition of Rapid Rack (Exhibit D, attached hereto), at pp. 42:1-46:5; 84:25-92:19. The attached deposition transcript is redacted to reflect confidentiality designations made by Rapid Rack's counsel. An un-redacted version is filed under seal.

⁷ Rapid Rack Document Production (Exhibit F to the Declaration of Patrick J. Ormé (Docs. Nos. 15, 21)), at RR100539.

⁸ *Id.* Rapid Rack Dep. at pp. 29:10-30:25.

⁹ Rapid Rack Dep. At pp. 42:1-46:5; 84:25-92:19. Further, Rapid Rack's customer service representatives informed a trademark investigator that Rapid Rack's "industrial shelving is marketed under the brand

B. *Rapid Rack submitted a specimen of use that was misleading as to the use of the Mark.*

In addition, at the time that Rapid Rack submitted the 2002 Declaration of Use, it was not using the RHINO RACK Mark in the manner that it claimed. The product on the specimen attached to the 2002 Declaration of Use is identified as RR4805, a 48" x 18" x 72" "Steel Storage Rack" with "[f]ive adjustable shelves with wood included."¹⁰ According to the specimen, RR4805 could be used as a "storage rack, work bench, or wall [shelving unit]" for use in an individual home owner's "garage, office, or shop."¹¹ Although the RHINO RACK Mark does appear on the specimen, the specimen predates the period for which use is claimed, as the date of the copyright located at the center of the bottom of the specimen indicates that the content of the specimen was created five years earlier, in 1997.¹²

Although Rapid Rack's 2002 Declaration of Use stated that the specimen showed the Mark "as [then] currently used," the specimen provided no evidence of actual use or sale of the RR4805 product in commerce as of April 9, 2002. It merely shows a label that was created in 1997. Further, Rapid Rack's implied assertion that this label was used in commerce in 2002 is proven false by Rapid Rack's own documents. Rapid Rack's internal product memoranda definitively establish that both the product and the box design for RR4805 were substantially changed in 1998.¹³ The product was changed to include 16-gauge metal components painted a charcoal color.¹⁴ The packaging was changed to include, *inter alia*, a "Gorilla Rack Logo Sticker."¹⁵ Thus, Rapid Rack's own evidence demonstrates that, beginning in 1998, the RR4805 product itself and the labeling of that product differed substantially from the specimen of use that Rapid Rack submitted as part of the 2002 Declaration of Use.

name "Rapid Rack." Affidavit of Edgar L. Bridges (Exhibit E, attached hereto), at ¶ 13.

¹⁰ 2002 Declaration of Use.

¹¹ *Id.*

¹² *Id.*

¹³ Rapid Rack Document Production, at RR1-00573, -574.

¹⁴ *Id.* at RR1-00573.

¹⁵ *Id.* at RR1-00574

C. *There is no non-speculative evidence of use of the RHINO RACK Mark in commerce at the time that Rapid Rack filed the 2002 Declaration of Use.*

Further, Rapid Rack has failed to come forward with any non-speculative evidence that the RHINO RACK Mark was in use in commerce as of 2002. The specimen submitted with the 2002 Declaration of Use is not itself evidence of use beyond 1997, and Rapid Rack has not been able to produce—or provide any information concerning—any specimens showing use in commerce prior to 2007.¹⁶ Although Rapid Rack seeks to rely on invoices and summaries (screen prints) of sales of product RR4805, these documents do not actually show the RHINO RACK Mark or specifically indicate that the Mark was used.¹⁷ Indeed, despite the fact that his testimony was based heavily on the screen prints showing sales of RR4805 through 2002, Rapid Rack’s Rule 30(b)(6) designee testified that he did not know whether RR4805 bore the RHINO RACK Mark, a “RINO RACK” tagline or used neither of these designations.¹⁸

III. *Beginning as early as 2002, and perhaps earlier, Rapid Rack abandoned its RHINO RACK Mark for well over a three-year period, thereby triggering a second, independent ground for cancellation of the Mark under the Lanham Act.*

A. *Several Rapid Rack customer service representatives told callers (including an independent trademark investigator) that Rapid Rack discontinued its RHINO RACK line of products for more than a three-year period from 2002 until 2007.*

Prior to initiating this cancellation, Petitioner repeatedly attempted to find any evidence of Rapid Rack’s use of its RHINO RACK Mark in commerce during the relevant time period.

¹⁶ See Rapid Rack’s Responses to Petitioner’s Interrogatories (Exhibit G, attached hereto) No. 1 (failing to provide information on the dates of use), No. 5 (failing to explain how the Mark was used in connection with goods), No. 14 (failing to provide information regarding the five largest purchases of products sold in connection with the mark from 2000 to 2007), Nos. 15-22 (failing to provide any information concerning advertising of the Mark); Rapid Rack’s Responses to Petitioner’s Requests for Production of Documents (Exhibit H, attached hereto) Nos. 1-7, 9-15, 17-23 (in response to which Rapid Rack failed to provide a specimen of use in commerce for any year from 2000 to 2006); Rapid Rack’s Responses to Petitioner’s Requests for Admissions (Exhibit I, attached hereto), Nos. 4, 9, 14, 19, 24, 29, 34 (in response to which Rapid Rack stated that it lacked information regarding whether it could produce a specimen of use in commerce from 2000 to 2006). Exhibit G is attached in redacted form. An un-redacted version is also filed under seal.

¹⁷ Rapid Rack Document Production, at RR100071-504.

¹⁸ Rapid Rack. Dep., at 40:10-45:1; 86:3-92:22; *Id.* at pp. 27:14 - 28:12; 62:24-64:8.

Not only did that investigation turn up no evidence of use from 2002 until 2007, but Rapid Rack customer service employees told two separate individuals that Rapid Rack had discontinued the only product bearing the RHINO RACK Mark, as well as the entire RHINO RACK line of products.

In approximately August of 2006, a corporate paralegal employed by Petitioner, Robert Fidel, performed an internet search for information concerning whether the RHINO RACK Mark was in use and the products, if any, distributed by Rapid Rack in connection with the Mark.¹⁹ As part of his search, Mr. Fidel located the company Internet website for Rapid Rack, *www.rapidrack.com*.²⁰ Mr. Fidel reviewed the website, and he was unable to find the RHINO RACK Mark used anywhere on *www.rapidrack.com*.²¹ No product on *www.rapidrack.com* was referred to as Rhino Rack or marketed under the name Rhino Rack.²²

As of August 3, 2006, the upper right corner of *www.rapidrack.com* contained a logo comprised of a red circle overlapping with a drawing of a gorilla and the words “GORILLA RACK products” and the Internet address “*www.GorillaRack.com*”.²³ The logo was hyperlinked, and by clicking on the logo, Mr. Fidel was transferred to *www.gorillarak.com*, which is also identified as being owned by Rapid Rack.²⁴ Mr. Fidel carefully reviewed the *www.gorillarak.com* website to determine whether the RHINO RACK Mark was in use in commerce in connection with any goods distributed by Rapid Rack.²⁵ The RHINO RACK Mark did not appear anywhere on *www.gorillarak.com*.²⁶ Further, the term “Rhino Rack” was not used anywhere on *www.gorillarak.com*, generally or in connection with any specific products.²⁷ No product on *www.gorillarak.com* was referred to as the Rhino Rack.²⁸

¹⁹ Affidavit of Robert A. Fidel (Exhibit J, attached hereto) at ¶3.

²⁰ *Id.* at ¶ 5.

²¹ *Id.*; *see also* Bridges Aff., at ¶ 17.

²² Fidel Aff., at ¶ 5; *see also* Bridges Aff., at ¶ 17.

²³ Fidel Aff., at ¶6.

²⁴ *Id.*

²⁵ *Id.* at ¶ 7.

²⁶ *Id.*; *see also* Bridges Aff., at ¶ 18.

²⁷ Fidel Aff., at ¶ 7; *see also* Bridges Aff., at ¶ 18.

Further internet searches performed by Mr. Fidel did not result in the identification of any products for sale in commerce by Rapid Rack that were being distributed in connection with the RHINO RACK Mark.²⁹ Mr. Fidel thereafter contacted Rapid Rack's customer service department at the telephone number listed on *www.rapidrack.com* and *www.gorillarak.com* and informed the customer service representative who took his call that he had heard about Rhino Rack and wanted more information about it.³⁰ Rapid Rack's customer service representative informed Mr. Fidel that Rapid Rack had discontinued the product which it had referred to as "Rhino Rack" several years earlier and had replaced that product with the Gorilla Rack product line.³¹

A little more than a year later, a licensed private investigator, Edgar Bridges, retained by Marksmen intellectual property investigation services conducted a separate investigation to determine whether Rapid Rack was distributing products in connection with the RHINO RACK Mark.³² Mr. Bridges determined that the domain name *rapidrack.com* was registered by Rapid Rack.³³ In internet searches performed between October 4 and October 12, 2007, Mr. Bridges observed that the *www.rapidrack.com* website prominently displayed the names Rapid Rack and Gorilla Rack, but did not contain any reference to products or services being marketed with the name RHINO RACK.³⁴ Mr. Bridges searched the Internet at large and found other references to Rapid Rack, but none of the web pages he found indicated that Rapid Rack was marketing products with the name RHINO RACK.³⁵ Mr. Bridges also searched Lexis-Nexis news databases and found references to a business in California called Rapid Rack dating back

²⁸ Fidel Aff., at ¶ 7; *see also* Bridges Aff., at ¶ 18.

²⁹ Fidel Aff., at ¶ 8.

³⁰ *Id.* at ¶ 9.

³¹ *Id.*

³² Bridges Aff., at ¶ 2.

³³ *Id.* at ¶ 7.

³⁴ *Id.* at ¶¶ 3, 9.

³⁵ *Id.* at ¶¶ 10-11.

as far as 1990, but none of the articles he found mentioned the company in connection with a RHINO RACK brand, product, or line of products.³⁶

Mr. Bridges then searched the regional telephone directory databases and found a listing for Rapid Rack.³⁷ When Mr. Bridges contacted Rapid Rack using the local area phone number, (626) 333-7225, the telephone was answered “Rapid Rack Industries.” Mr. Bridges spoke with Jana (surname not given) in the administrative office, who informed him that he had reached the headquarters of Rapid Rack Industries, Inc. in City of Industry, California.³⁸ Jana stated that Rapid Rack manufactures shelving for industrial and consumer applications, but she stated that she was not familiar with any of the company’s products being marketed with the name RHINO RACK.³⁹

Mr. Bridges then spoke with Angela (surname not given) in the customer service department, who informed him that Rapid Rack marketed shelving and racks for a wide variety of commercial, industrial, and personal uses.⁴⁰ She stated that consumer shelving is marketed under the brand name GORILLA RACK and the industrial shelving is marketed under the brand name RAPID RACK.⁴¹ Angela indicated that she normally works with industrial shelving, and she said that she was not familiar with shelving or any other products from Rapid Rack being marketed in connection with the name RHINO RACK.⁴²

Mr. Bridges then spoke with Adriana (surname not given) in the customer service department for consumer products, who informed him that Rapid Rack had been in business for over twenty years and operated as a manufacturer of shelving sold throughout the United States.⁴³ She said that the company had a website at *www.gorillarak.com*, and added that all of the consumer shelving made by Rapid Rack is available online and is sold by such retailers as

³⁶ *Id.*

³⁷ *Id.* at ¶ 12.

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.* at ¶ 13.

⁴¹ *Id.* at ¶ 13.

⁴² *Id.* at ¶15.

⁴³ *Id.* at ¶14.

Sam's Club and Ace Hardware. Adriana said that she was familiar with Rapid Rack's use of the name RHINO RACK, but she said, "We did RHINO RACK years ago. I don't think we have it anymore."⁴⁴ Adriana said that RHINO RACK was the name of a line of light duty metal laminate shelving that was sold to consumers.⁴⁵ She said, however, that the product line was discontinued "at least three or four years ago."⁴⁶

Mr. Bridges then spoke with Sylvia Huerta in the sales department, who informed him that Rapid Rack had resumed sales of its RHINO RACK line of lightweight consumer shelving.⁴⁷ Huerta said that RHINO RACK is the name of a line of galvanized metal shelving that is intended for light use.⁴⁸ She said that the units are sold unassembled, and can hold a maximum of "about fifty pounds per shelf."⁴⁹ According to Huerta, the RHINO RACK line of consumer shelving was formerly sold by Rapid Rack for several years, but she said that "we did away with it about five years ago" because the product line "wasn't selling very well."⁵⁰ Huerta added, however, that "we brought back RHINO RACK about six months ago."⁵¹ She said that the product line was once again available nationwide, and was sold by several retail chains including Ace Hardware, Tru-Value, and Sam's Club.⁵² After contacting Rapid Rack, Mr. Bridges searched nationwide telephone directory databases and found listings for Ace Hardware stores in New York, Miami, Atlanta, Chicago, and Los Angeles areas, but was told that none of those stores carried RHINO RACK shelving from Rapid Rack.⁵³

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ *Id.* at ¶15.

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ *Id.*

⁵¹ *Id.*

⁵² *Id.*

⁵³ *Id.* at ¶16.

B. The evidence elicited from Rapid Rack—including the testimony of its Rule 30(b)(6) designee—corroborates Mr. Fidel’s and Mr. Bridge’s investigations.

Rapid Rack designated Randy Taylor as its Rule 30(b)(6) deposition designee with respect to the following topics:

6. [Rapid Rack]’s use of [the] Mark from January 1, 1998 to present[;]
7. [Rapid Rack]’s use of [the] Mark in commerce from January 1, 1998 to present[;]
8. Whether [Rapid Rack] possesses a specimen of use which demonstrates use of [the M]ark in commerce in each calendar year from 1998 to present[;]
9. The products in connection with which [Rapid Rack] uses or has used [the] Mark in commerce from January 1, 1998 to present[; and]
17. [Rapid Rack]’s use of [the] Mark in advertising, including any such use in periodicals, journals, radio and/or television advertisements, and Internet websites from January 1, 1998 to the present.⁵⁴

In response to questions on these critical topics, Rhino Rack’s designee testified that he only had knowledge of the RHINO RACK Mark being used in 2007 and 2008, and then only in connection with two products sold by Rapid Rack, namely item nos. GRL-100 and GRL-3012.⁵⁵ He thought that the Mark *possibly* may have been used on item no. RR4805 between 1998 and 2003, but had no knowledge of any use of the Mark for the three-year period including 2004, 2005, and 2006.⁵⁶ With respect to RR4805, he testified that the only basis for his belief that RR4805 used the RHINO RACK Mark between 1998 and 2003 was his review of certain

⁵⁴ Rapid Rack Dep., at pp. 10:23-27:14; Dep. Exh. 1.

⁵⁵ *Id.* at pp. 40:18-25; 58:17 - 59:4; 74:14 - 75:23. Consistent with this testimony, Rapid Rack has produced only one specimen of use—from 2007—for GRL-100 bearing the RHINO RACK Mark. *See* Rapid Rack Document Production RR1-00568. The same is true for GRL3012. *Id.* at RR100540. There were no sales of GRL-3012 products prior to 2007. *Id.* at RR100023-25. As of the date of this filing, neither of these products are identified in connection with the RHINO RACK Mark in the assembly instructions on Rapid Rack’s websites. *See* Assembly Instructions for GRL-100/110 (Exhibit F, attached hereto), also available at [http://www.gorillarak.com/products/shelving/Instructions/GRL100%20and%20GRL110%](http://www.gorillarak.com/products/shelving/Instructions/GRL100%20and%20GRL110%20).

⁵⁶ Rapid Rack Dep., at pp. 36:14 - 40:17; 55:1 - 55:16; 76:20 - 84:14.

screenshots from the company's computer sales system.⁵⁷ These screenshots were presented as exhibits during the deposition, but only show that a product, RR4805, was sold in certain quantities from 1998 to September 2002 (with one small, token sale in December 2003) and that the product was designated in the computer system as “RINO RACK.”⁵⁸

Mr. Taylor testified that he did not know whether RR4805 actually bore the RHINO RACK Mark, and he was unsure whether RR4805 bore a “RINO RACK” tagline instead of the RHINO RACK Mark at any time between 1998 and 2008.⁵⁹ Indeed, according to Mr. Taylor, his belief that RR4805 used the RHINO RACK Mark was based solely on the existence of the “RR” designator and the “RINO RACK” label on the computer screenshot.⁶⁰ Stated simply, Mr. Taylor testified that he was completely unaware of any non-speculative evidence of actual use of the RHINO RACK Mark in commerce by Rapid Rack for any time period prior to 2007.⁶¹

Mr. Taylor also admitted lack of knowledge regarding use of the Mark in commerce, lack of knowledge regarding the selection of the Mark and protection of the Mark, and lack of knowledge about any specimens of use demonstrating use of the RHINO RACK Mark.⁶² Mr. Taylor further testified that he was unaware of Rapid Rack advertising its products anywhere other than on Internet websites, and he was not aware of whether the websites owned by Rapid Rack contained the RHINO RACK Mark.⁶³

The responsive documents provided by Rapid Rack also demonstrate its abandonment of the RHINO RACK Mark between 2002 and 2007. A Rapid Rack Inventory Sales History Report lists RR4805 as “discontinued” and shows that sales of the product stopped dramatically in October 2002.⁶⁴ Consistent with Rapid Rack’s Inventory Sales History Report, the receipts

⁵⁷ *Id.*

⁵⁸ *Id.* at pp. 76:20 – 84:14; Dep. Exh. 7.

⁵⁹ *Id.* at pp. 36:14 – 40:17; 41:4 – 41:20; 55:1-16; 78:12-79:20; Dep. Exh. 7.

⁶⁰ *Id.* at pp. 36:14 – 40:17; 41:4 – 41:20; 78:12-79:20; Dep. Exh. 7.

⁶¹ *Id.* at pp. 36:14 – 40:17; 76:20 – 84:14

⁶² *Id.* at pp. 36:14 – 40:17; 41:4 – 41:20; 76:20 – 84:14.

⁶³ *Id.* at pp. 27:14 - 28:12; 62:24-64:8.

⁶⁴ Rapid Rack Document Production, at RR100519-520. The Inventory Sales History Report does not actually show use of the Mark, but it demonstrates that sales of the sole product bearing the Mark prior to

Rapid Rack has provided from the printer who prepared the package inserts for RR4805 begin in 1998 and then stop completely in August 2002.⁶⁵ The sales invoices for RR4805 evidence the exact same trend: the abrupt discontinuance of the Rhino Rack product, RR4805, in 2002.⁶⁶

C. Prior to October 6, 2008, neither of Rapid Rack's Internet websites—Rapid Rack's sole method of advertisement for its products—made any reference to the RHINO RACK Mark.

As already indicated, Rapid Rack's Rule 30(b)(6) designee testified that he was only aware of Rapid Rack advertising its products on its websites.⁶⁷ Although Rapid Rack added the RHINO RACK Mark to its *www.GorillaRack.com* website shortly after its Rule 30(b)(6) deposition,⁶⁸ the website never used the term RHINO RACK—as a trademark or otherwise—prior to that time.⁶⁹ In fact, the product assembly instructions on the website for GRL-100/110 (to which the Mark was added in 2007) contain Rapid Rack's GORILLA RACK Mark instead of its RHINO RACK Mark.⁷⁰ Rapid Rack's other website, *www.rapidrack.com*, does not include—nor has it ever included—the RHINO RACK Mark.⁷¹

IV. Rapid Rack has not (and cannot) come forward with any evidence to rebut the overwhelming evidence that the 2002 Declaration of Use was fraudulent or the conclusive evidence of abandonment.

A. Rapid Rack has produced no evidence in response to discovery requests concerning the 2002 Declaration of Use.

Throughout the written discovery process in this case, Rapid Rack has repeatedly refused to answer questions that would force it to admit that its 2002 Declaration of Use was fraudulent. For example, Interrogatory No. 34 asked Rapid Rack to “[p]rovide the complete *factual* basis for

2007 ended in 2002 .

⁶⁵ *Id.*, at RR100541-566. The printer's receipts do not actually show use of the Mark; rather, they demonstrate that the product bearing the Mark was discontinued in 2002.

⁶⁶ *Id.*, at RR100001-504. Like the other referenced documents, the invoices do not indicate that the Mark was used; instead, they show that the Mark would not have been used from 2002 until Rapid Rack began using the Mark in connection with other products in 2007.

⁶⁷ Rapid Rack Dep., at pp. 27:14 - 28:12; 62:24-64:8.

⁶⁸ See *www.gorillarak.com* (updated October 6, 2008).

⁶⁹ Bridges Aff., at ¶ 17.

⁷⁰ Assembly .Instructions for GRL-100/110.

⁷¹ Bridges Aff., at ¶ 18; Affidavit of James Holden (Exhibit K, attached hereto), at Exh. A-1; see also *www.rapidrack.com*.¶

the averment that [the] Mark was in use in commerce . . . as set forth and contained in the [2002 Declaration of Use].” Rapid Rack chose not to give a factual basis, instead objecting on the grounds that the interrogatory was “overly broad, unduly burdensome and harassing neither relevant to the claim or defense of any party in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence” (emphasis added) and that it may have called for privileged information.⁷² Even when it was reminded that there was a pending claim that the 2002 Declaration of Use was fraudulent, Rapid Rack refused to respond substantively to Interrogatory No. 34.⁷³

Similarly, in Request for Production No. 39, Rapid Rack was asked to produce “[a]ll documents which [it] relied upon in preparing the [2002 Declaration of Use].” Rapid Rack again provided only boilerplate objections, and notwithstanding numerous requests from Petitioner’s counsel, Rapid Rack has refused to produce anything other than the fraudulent 2002 Declaration of Use itself.⁷⁴

Continuing this pattern, Rapid Rack refused to produce a Rule 30(b)(6) designee on the day of its deposition with respect to the following topics in the Rule 30(b)(6) deposition notice:⁷⁵

33. The factual information Registrant relied upon in preparing the document styled “Combined Declaration of Use in Commerce and Application for Renewal of Trademark” filed by Registrant with the United States Patent and Trademark Office on April 9, 2002.

34. The misrepresentations, if any, in the document styled “Combined Declaration of Use in Commerce and Application for Renewal of Trademark” filed by Registrant on April 9, 2002, whether Registrant had knowledge of any misrepresentations, and Registrant’s intended purpose in making any such misrepresentations.

⁷² Rapid Rack’s Response to Petitioner’s Interrogatories.

⁷³ See Motion to Compel Discovery Responses, Motion to Deem Requests for Admissions Admitted and Motion for Sanctions, etc. (the “First Motion for Sanctions) and exhibits thereto. (Docs. Nos. 9, 12)

⁷⁴ Rapid Rack’s Responses to Petitioner’s Requests for Production of Documents.

⁷⁵ Petitioner’s Second Motion for Sanctions and exhibits thereto (Docs. Nos. 17, 18)

Rapid Rack denied the majority of the Requests for Admissions addressed to its 2002 Declaration of Use on the basis that unambiguous terms in the requests were undefined and unclear.⁷⁶ Thus, the only actual responses provided by Rapid Rack are its unexplained denials of Requests for Admissions Nos. 86 and 87.⁷⁷ These responses are completely undermined by the deposition testimony of Rapid Rack:

Q. (BY MR. DOWDY): . . .I'm asking do you know, and you understand we've talked about you being the Rule 30(b)(6) designee. I'm asking as we sit here today, do you know what information Mr. Lawhon [the declarant for the 2002 Declaration of Use] had in front of him when he made this declaration?

MR. ORME: Objection; you can go ahead and answer it.

A. No.

Q. (BY MR. DOWDY): Do you know if the information that he provided in this declaration was accurate or not?

MR. ORME: Objection.

THE WITNESS: No.⁷⁸

B. Rapid Rack has been unable or unwilling to provide evidence of use of the RHINO RACK Mark during the relevant time period.

In its written discovery responses, Rapid Rack has sought to pin its claims of use on four categories of documents: (1) invoices showing sales of RR4805 from 1998 to 2002; (2) a limited number of screen prints showing essentially the same information; (3) the specimen created in 1997 which Rapid Rack attached to the fraudulent 2002 Declaration of Use, and (4) specimens of use from 2007 onward. None of these documents are evidence of use during the relevant time period.

Neither the invoices nor the screen prints actually include the RHINO RACK Mark. Instead these documents merely reflect sales of product RR4805, which is identified as “RINO

⁷⁶ Rapid Rack's responses to Petitioner's Requests for Admissions.

⁷⁷ *Id.*

⁷⁸ Rapid Rack Dep., at p. 40:10-22.

RACK.”⁷⁹ Those sales ended in 2002, with the exception of one isolated sale to PriceSmart, Inc., a Caribbean and Central American price club (on November 26, 2003)⁸⁰ and two isolated sales to a Rapid Rack employee, Nelson Lopez (on January 5 and 21, 2004).⁸¹

The specimen by itself is not actually evidence of any use in commerce at all and plainly is not evidence of use after 1998. Indeed, Rapid Rack’s internal planning memoranda concerning the RR4805 product indicate that, as early as 1998, Rapid Rack was labeling the boxes containing the RR4805 product with the GORILLA RACK logo that replaced its RHINO RACK Mark.⁸²

Similarly, the specimens of use from 2007 are no evidence that the RHINO RACK MARK was in use during the relevant time period. Rapid Rack has been unable to produce any earlier specimens of use, and has essentially admitted that no such specimens exist. Requests for Admissions 4, 9, 14, 19, 24, 29, and 34 sought admissions that Rapid Rack cannot produce a specimen of use of Registrant’s Mark in commerce in each year between 2000 and 2006.⁸³ In fact, Rapid Rack did not produce any such specimens of use in response to Requests for Production of Documents Nos. 1-7, 9-15, 17-23, or 25-32. However, rather than make the admissions required by Rule 36 of the Federal Rules of Civil Procedure, Rapid Rack answered each such request by stating, “[D]espite a reasonable inquiry, the information known or readily obtainable by Registrant is insufficient to enable [Rapid Rack] to admit or deny the statement and [Rapid Rack] therefore denies the same.” If a reasonable inquiry did not result in Rapid Rack locating such a specimen of use, then the correct response to each such request is “Admitted.”

Rapid Rack’s documents show at best that it may have used the RHINO RACK Mark in connection with the RR4805 storage rack/work bench/wall unit only at some time prior to

⁷⁹ Rapid Rack Document Production, at RR100071-504; 586-590.

⁸⁰ *Id.* at p. RR100290; *see also* www.pricesmart.com.

⁸¹ Rapid Rack Document Production, at RR100291-292.

⁸² Rapid Rack Document Production, at RR1-00573, -574; Fidel Aff., at ¶ 9.

⁸³ Rapid Rack’s Responses to Petitioner’s Requests for Admissions.

2002. These documents also show that Rapid Rack decided to discontinue that use—at the latest—very near the time that it submitted the fraudulent 2002 Declaration of Use and that Rapid Rack did not resume use of the Mark until 2007. On these facts, the RHINO RACK Mark has been abandoned, and Rapid Rack’s registration for this Mark therefore should be cancelled

Moreover, Rapid Rack refused to provide evidence in response to numerous written discovery requests concerning, *inter alia*:⁸⁴

- the manner in which Rapid Rack contends it used the RHINO RACK Mark during the relevant time period (Interrogatory No. 5);
- the channels of distribution in which Rapid Rack used the RHINO RACK Mark during the relevant time period (Interrogatories Nos. 6-13);
- use of the RHINO RACK Mark in advertising during the relevant time period (Interrogatories Nos. 15-22);
- discontinuance of the RHINO RACK Mark and the reasons therefor (Interrogatory No. 27 and Request for Production of Documents No. 37); and
- Specimens of use in commerce during the relevant time period, including specimens that are self authenticating as to the date of use (Requests for Production of Documents Nos. 1-24).

Rapid Rack also refused to produce a fully prepared Rule 30(b)(6) deponent with respect to these and other topics.⁸⁵

C. Because Rapid Rack has not produced evidence that the 2002 Declaration of Use was accurate or evidence of use during the relevant time period, Rapid Rack cannot submit an affidavit or other last-minute evidence to avoid the present Motion for Summary Judgment

Not only has Rapid Rack failed to produce responsive information concerning its fraudulent 2002 Declaration of Use and the abandonment of its RHINO RACK Mark, but in its filings with this Board, Rapid Rack has taken the position that the company has no knowledge concerning the relevant time period. Specifically, in its Response in Opposition to Petitioner’s First Motion for Sanctions (Doc. No. 20), Rapid Rack stated, “The current management of

⁸⁴ Rapid Rack’s Responses to Petitioner’s Interrogatories, Requests for Production of Documents, and Requests for Admissions.

⁸⁵ Rapid Rack Dep., at pp. 10:15-27:14.

[Rapid Rack] has been in place for about three years. Lacking knowledge regarding many of the discovery requests propounded by [Petitioner], [Rapid Rack]’s management answered to the extent they [sic] possessed such knowledge.”⁸⁶

TBMP § 527.01(e) provides: “A party that responds to a request for discovery by indicating that it does not have the information sought, or by stating objections thereto, may be barred by its own action from later introducing the information sought in the request as part of its evidence on the case . . .” (emphasis added). *See also, e.g., Presto Products Inc. v. Nice-Pak Products Inc.*, 9 U.S.P.Q.2d 1895, 1896 n.5 (T.T.A.B. 1988) (evidence not produced under attorney-client privilege, albeit rightfully withheld, still cannot be relied upon to support motion for summary judgment); *National Aeronautics and Space Administration v. Bully Hill Vineyards Inc.*, 3 U.S.P.Q.2d 1671, 1672 n.3 (T.T.A.B. 1987) (exhibits within the scope of documents requested by applicant but not produced by opposer during discovery, excluded from consideration).

Rapid Rack has made numerous refusals to even attempt to explain away the substantial evidence of its fraud on the Trademark Office, and it has failed to provide testimony or documentary evidence of use during the relevant time period. Accordingly, under TBMP § 527.01, Rapid Rack cannot now escape summary judgment by submitting a sham affidavit—or other heretofore unproduced evidence—which contradicts its deposition testimony and its refusals to accurately answer discovery on these issues.

THE SUMMARY JUDGMENT STANDARD

Summary judgment “should be rendered if the pleadings, the discovery and discovery materials on file, and any affidavits show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.” Fed. R. Civ. P. 56(c). “When a motion for summary judgment is properly made and supported, an opposing party . . .

⁸⁶ Rapid Rack’s Response to Petitioner’s First Motion for Sanctions (Doc. No. 20), at p. 4. Indeed, Rapid Rack specifically invoked this lack of knowledge for the basis of its refusal to respond to discovery concerning the 2002 Declaration of Use. *Id.* at 17.

must—by affidavits or as otherwise provided in this rule [56]—set out specific facts showing a genuine issue for trial.” Fed. R. Civ. P. 56(e). The Supreme Court of the United States has held that if “the record taken as a whole could not lead a rational trier of fact to find for the nonmoving party, there is no ‘genuine issue for trial.’” *Matsushita Elec. Industrial Co. v. Zenith Radio*, 475 U.S. 574, 587, 106 S. Ct. 1348, 1356, 89 L. Ed. 2d 538, 552 (1986). Consistent with the *Matsushita* standard, the Federal Circuit and this Board have specifically encouraged the use of summary judgment in trademark cases. *Pure Gold, Inc. v. Syntex (U.S.A.), Inc.*, 739 F.2d 624, 627, 222 U.S.P.Q. 741, 744 (Fed. Cir. 1984); TBMP § 528.01 (“The summary judgment procedure is regarded as ‘a salutary method of disposition,’ and the Board does not hesitate to dispose of cases on summary judgment when appropriate”). In the present case, the uncontroverted evidence of record demonstrates that Rapid Rack (1) committed fraud on the Trademark Office, and (2) abandoned its RHINO RACK Mark. Accordingly, the Board should grant summary judgment in favor of Petitioner and cancel the RHINO RACK registration.

LEGAL ARGUMENT

I. The 2002 Declaration of Use submitted by Rapid Rack was fraudulent as a matter of law and should result in cancellation of RHINO RACK Registration.

The Lanham Act §14(3) requires cancellation of a U.S. trademark registration, “at any time” if “its registration was obtained fraudulently.” 15 U.S.C. § 1064. An applicant has committed fraud if its submissions contain statements that are (1) false, (2) material, and (3) made knowingly. *Mister Leonard Inc. v. Jacques Leonard Couture Inc.*, 23 U.S.P.Q.2d 1064, 1066 (T.T.A.B. 1992). “Fraud in obtaining renewal of a registration amounts to fraud in obtaining a registration within the meaning of section 14(c) of the Lanham Act, 15 U.S.C. § 1064(c).” *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 48, 1 U.S.P.Q.2d 1483, 1484 (Fed. Cir. 1986).

The Board takes very seriously a party’s decision to provide an incorrect statement to the Trademark Office. Submission of an application which incorrectly identifies the products on

which the mark is used is *per se* fraud. *Medinol Ltd. v. Neuro Vasx, Inc.*, 67 U.S.P.Q.2d 1205, 1210 (T.T.A.B. 2003) (signing application attesting that mark was used for “medical devices, namely, neurological stents and catheters,” when in fact it was being used only on catheters and not on stents, was fraudulent); *Mister Leonard Inc.*, 23 U.S.P.Q.2d 1064 (due to submission of declarations that the registered mark in question was in use on “bathing costumes for men” when the mark had only been used on women’s clothing, court granted summary judgment for fraud and canceled registration); *First International Services Corp.*, 5 U.S.P.Q.2d 1628 (applicant committed fraud by claiming use of the mark on “shampoos, hair conditioner preparation and scalp massage treatment preparations” when in fact at the time of application the mark was used only on “shampoo and hair setting lotion”).

Further, the Board has held that a false statement is made “knowingly” even if the declarant produces evidence that the misrepresentation was unintentional and even if the Board believes that the misrepresentation was unintentional:

Respondent's explanation for the misstatement (which we accept as true)—that the inclusion of stents in the notice of allowance was ‘apparently overlooked’—does nothing to undercut the conclusion that respondent knew or should have known that its statement of use was materially incorrect. Respondent's knowledge that its mark was not in use on stents—or its reckless disregard for the truth—is all that is required to establish intent to commit fraud in the procurement of a registration. . . . Accordingly, summary judgment is entered in petitioner's favor on the issue of fraud.

Medinol Ltd. v. Neuro Vasx, Inc., 67 U.S.P.Q.2d 1205, 1210 (T.T.A.B. 2003). “[R]eckless disregard for the truth . . . is all that is required to establish intent to commit fraud in the procurement of a registration.” *Id.* at 1210. “The appropriate inquiry is . . . not into the registrant's subjective intent, but rather into the objective manifestations of that intent.” *Id.* at 1209.

In the instant case, Rapid Rack’s 2002 Declaration of Use stated that the RHINO RACK Mark was in use in commerce in connection with “all of the goods identified in the registration.” This statement was fraudulent as a matter of law because Rapid Rack was not using the RHINO

RACK Mark in connection with any industrial shelving, work tables with wheels, work tables without wheels, or component parts. The Board has made clear in numerous cases with directly analogous facts that identifying all goods in an application or registration, when a mark is used in connection with less than all of the identified goods, meets the standard of “knowing” false statements, and constitutes fraud as a matter of law. *Id.* at 1205; *Mister Leonard Inc.*, 23 U.S.P.Q.2d 1064; *First International Services Corp. v. Chuckles, Inc.*, 5 U.S.P.Q.2d 1628 (T.T.A.B. 1988). The inquiry may end here, as this fraudulent misrepresentation by Rapid Rack, standing alone, requires the cancellation of its registration. However, there is another stand-alone ground for cancellation based on the fraudulent specimen of use provided by Rapid Rack. The specimen itself is not evidence of use during the relevant time period, and the uncontroverted evidence in this case—almost all of which has been provided by Rapid Rack—proves that if the RHINO RACK Mark was in use at all in 2002, its use differed from the use shown in the specimen submitted with the 2002 Declaration of Use. The submission of a plainly inaccurate declaration of use constituted—at the very least—reckless disregard for the truth and warrants cancellation on the grounds of fraud also. *Hurley International LLC v. Volta*, 82 U.S.P.Q.2d 1339 (T.T.A.B. 2007) (“There is no question that applicants’ application would have been refused but for applicants’ misrepresentation regarding its use of the submitted substitute specimen in U.S. commerce. . . . However, . . . it is clear that the substitute specimen was not in use in U.S. commerce as of the filing date of the involved application, or at any time for that matter, and, therefore, such specimen fails to demonstrate use of the applicants’ mark in connection with any of the recited services in the application. Inasmuch as applicants’ material representations were false and applicants knew of or should have known such representations were false, we conclude that applicants have, again, committed fraud.”)

II. The registration for the RHINO RACK Mark also should be canceled because Rapid Rack cannot carry its burden to rebut Petitioner's *prima facie* case of abandonment.

A. Petitioner has made a *prima facie* showing of abandonment.

A trademark registration should be canceled “at any time” if it has been abandoned. 15 U.S.C. § 1064(3). *Imperial Tobacco, Ltd., Assignee of Imperial Group PLC v. Philip Morris, Inc.*, 899 F.2d 1575, 1578-79, 14 U.S.P.Q.2d 1390, 1392 (Fed. Cir. 1990). Under the Lanham Act, a trademark registration is deemed abandoned if its “use has been discontinued with intent not to resume such use.” 15 U.S.C. § 1127 (2008). A *prima facie* case of abandonment (including intent not to resume use) is established by showing evidence of nonuse for three consecutive years. *See id.* Establishing a *prima facie* case eliminates the challenger’s burden to establish the intent element of abandonment as an initial part of his case, creating a rebuttable presumption that the registrant has abandoned the mark without intent to resume use. *See, e.g., Exxon Corp. v. Humble Exploration Co.*, 695 F.2d 96, 99, 217 U.S.P.Q. 1200, 1202 (5th Cir. 1983) (“[W]hen a *prima facie* case of trademark abandonment exists because of nonuse of the mark for over [three] consecutive years, the owner of the mark has the burden to demonstrate that circumstances do not justify the inference of intent not to resume use.”).

In the present cancellation, Petitioner has made a *prima facie* showing that Rapid Rack abandoned the RHINO RACK Mark. First, Rapid Rack’s customer service representatives specifically advised callers that Rapid Rack discontinued the RHINO RACK product, RR4805, in approximately 2002 for an approximately five-year period. Second, Rapid Rack has been unable or unwilling to provide any evidence that the RHINO RACK Mark was in use in connection with RR4805 by 2002, but in any event, sales of this product stopped in 2002. Third, Rapid Rack’s Rule 30(b)(6) designee testified that he was unaware of any possible basis for Rapid Rack to claim use during the three-year period including 2004, 2005, and 2006. Fourth, Rapid Rack’s Internet websites did not contain any references to the RHINO RACK Mark during the relevant time period (and did not use the Mark until after Rapid Rack’s Rule

30(b)(6) deposition in this case). Because Rapid Rack has no evidence to rebut this prima facie case, Petitioner is entitled to judgment as a matter of law.

B. Rapid Rack cannot meet its burden to provide evidence of use or intent not to abandon.

Once the prima facie case has been made, the burden shifts to the registrant to produce evidence that it either used the mark during the statutory period or intended to resume use. *Id.*; *see also Imperial Tobacco, Ltd.*, 899 F.2d at 1579, 14 U.S.P.Q.2d at 1393 (to overcome a prima facie case, the registrant must come forth with evidence that it although discontinued use of the mark, it intended to resume its use thereof); *Emergency One, Inc. v. Am. FireEagle, Ltd.*, 228 F.3d 531, 536, 56 U.S.P.Q.2d 1343, 1346 (4th Cir. 2000) (“Once the presumption is triggered, the legal owner of the mark has the burden of producing evidence of either actual use during the relevant period or intent to resume use.”); *Cerveceria Centroamericana, S.A. v. Cerveceria India, Inc.*, 892 F.2d 1021, 1026, 13 U.S.P.Q.2d 1307, 1312 (Fed. Cir. 1989). As explained above, Rapid Rack has not produced any proof of use during the relevant time period in response to written discovery requests. Similarly, the person designated by Rapid Rack to testify on the issue of use of the Mark in commerce was unable to testify that the Mark was used during the relevant time period.⁸⁷

Rapid Rack has sought to avoid cancellation by producing evidence that it resumed use of the RHINO RACK Mark in 2007. However, evidence of use after the three year period cannot

⁸⁷ Rapid Rack may attempt to rely on one small, isolated sale of RR4805 to a Central American price club in 2003 and two sales (of five total shelves) of RR4805 to one of its employees in January 2004 as evidence of use. These sales are not evidence of use for two reasons. First, there is no evidence that RR4805 actually bore the RHINO RACK Mark as of 2003. Rapid Rack has provided no documentary evidence showing use of the Mark on RR4805, and its Rule 30(b)(6) deponent was unable to testify that the Mark was actually used on this product. Rapid Rack Dep., at p. 60:10-24. Second, the 2003-04 sales are entirely inadequate to rebut the prima facie case because “limited sales of packaged products to targeted customers and the arranged sales of bulk products” are “not sufficient uses to avoid prima facie proof of abandonment under the statute.” *Exxon Corp.*, 695 F.2d at 100, 217 U.S.P.Q. at 1203 (reversing district court’s determination that mark had not been abandoned because the limited arranged sales of registrant’s products as part of its trademark maintenance program were insufficient uses to avoid prima facie abandonment); *see also Emergency One, Inc.*, 228 F.3d at 539, 56 U.S.P.Q.2d at 1349 (“[T]he ‘use’ required to preserve trademark rights does not include mere promotional or token uses.”); *Uncas Mfg. Co. v. Clark & Coombs Co.*, 309 F.2d 818, 135 U.S.P.Q. 282 (1st Cir. 1962) (finding that evidence of attempts to sell product during three years was not conclusive evidence of lack of intention to abandon the mark and thus affirming cancellation of the registration).

serve as evidence of intent to resume use and cannot cure a prima facie case of abandonment. *Imperial Tobacco, Ltd.*, 899 F.2d at 1578, 14 U.S.P.Q.2d at 1391-92 (evidence of use outside the three-year nonuse period was insufficient to create a genuine issue of material fact and upheld grant of summary judgment cancelling the registration); *Cerveceria Centroamericana*, 892 F.2d at 1027, 13 U.S.P.Q.2d at 1313 (“While, beginning in 1984, it undertook activities to again use the mark in the United States, these latter efforts represent a new and separate use, and cannot serve to cure its abandonment”) (emphasis added). Thus, Rhino Rack must show evidence of intent to resume use during the three-year period. As is apparent from Rhino Rack’s document production and depositions, there is no evidence of use during the three-year period and no evidence of intent to resume use. Rhino Rack’s own evidence and the statements of its own employees demonstrate that it abandoned the RHINO RACK Mark in 2002 and did not resume use of the Mark until late 2006 at the earliest. Therefore, Rapid Rack has not produced, and cannot produce, any evidence that rebuts Petitioner’s prima facie case of abandonment.

CONCLUSION

“The purpose of [a summary judgment] motion is judicial economy, that is, to avoid an unnecessary trial where there is no genuine issue of material fact and more evidence than is already available in connection with the summary judgment motion could not reasonably be expected to change the result in the case.” TBMP § 528.01. That is exactly the situation with which the Board is now presented. The uncontroverted evidence—much of which was provided by Rapid Rack—proves that Rapid Rack submitted a fraudulent Combined Declaration of Use in Commerce & Application for Renewal of Registration of a Mark in 2002 in which it (1) inaccurately claimed that it was using its RHINO RACK Mark on industrial shelving, work tables with wheels, work tables without wheels, and component parts when Rapid Rack was not using the Mark in connection with any of these goods, and (2) attached an outdated specimen as alleged evidence of use. The uncontroverted evidence also proves that Rapid Rack abandoned its RHINO RACK Mark beginning in 2002 and did not resume use of the Mark until several

years later, in 2007. With respect to each ground for abandonment, Rapid Rack has taken the position that it has produced all of the evidence that it is willing or able to produce. The evidence provided by Rapid Rack supports Petitioner's claims that Rapid Rack committed fraud on the Trademark Office and abandoned its RHINO RACK Mark for a three-year period with no intent to resume its use of the Mark. On this record, there are no genuine issues of material fact with respect to either claim, and Petitioner is entitled to cancellation of the RHINO RACK Mark on the grounds of fraud on the Trademark Office and abandonment as a matter of law.

Respectfully submitted this 22nd day of October, 2008.

NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.

By: /Joseph S. Dowdy/
David A. Harlow
N.C. State Bar. No. 1887
Reed J. Hollander
N.C. State Bar No.: 23405
Joseph S. Dowdy
N.C. State Bar No. 31941
4140 Parklake Avenue/Glenlake One, Suite 200
Raleigh, NC 27612
Direct Dial: (919) 877-3800/ Fax (919) 877-3799
E-mail: david.harlow@nelsonmullins.com
reed.hollander@nelsonmullins.com
joe.dowdy@nelsonmullins.com

CERTIFICATE OF SERVICE

I hereby certify that on this day a true and correct copy of the foregoing document has been served this day by depositing copies thereof in a depository under the exclusive care and custody of the United States Postal Service in a first class postage prepaid envelope and properly addressed as follows:

David A. Dillard, Esq.
Patrick J. Ormé, Esq.
Christie, Parker and Hale, LLP
350 W. Colorado Blvd., Suite 500
Pasadena, CA 91105-1836

This, the 22nd day of October, 2008.

NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.

By: /Joseph S. Dowdy/
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Raleigh, NC 27612
Direct Dial: (919) 877-3800/Fax (919) 877-3799
E-mail: david.harlow@nelsonmullins.com
reed.hollander@nelsonmullins.com
joe.dowdy@nelsonmullins.com

EXHIBIT A

(to Petitioner's Brief in Support of its Motion for
Summary Judgment)

Thank you for your request. Here are the latest results from the [TARR web server](#).

This page was generated by the TARR system on 2008-10-21 18:44:11 ET

Serial Number: 74096229 [Assignment Information](#) [Trademark Document Retrieval](#)

Registration Number: 1698407

Mark (words only): RHINO RACK

Standard Character claim: No

Current Status: A cancellation proceeding has been filed at the Trademark Trial and Appeal Board and is now pending.

Date of Status: 2007-10-19

Filing Date: 1990-09-12

Transformed into a National Application: No

Registration Date: 1992-06-30

Register: Principal

Law Office Assigned: LAW OFFICE 15

If you are the applicant or applicant's attorney and have questions about this file, please contact the Trademark Assistance Center at TrademarkAssistanceCenter@uspto.gov

Current Location: 900 -File Repository (Franconia)

Date In Location: 2002-06-21

LAST APPLICANT(S)/OWNER(S) OF RECORD

1. [Rapid Rack Industries, Inc.](#)

Address:

[Rapid Rack Industries, Inc.](#)
14421 BONELLI STREET
CITY OF INDUSTRY, CA 91746
United States

Legal Entity Type: [Corporation](#)

State or Country of Incorporation: [California](#)

GOODS AND/OR SERVICES

International Class: [020](#)

Class Status: Active

work tables with and without wheels, work benches, industrial shelving, storage racks, and component parts therefor

Basis: 1(a)

First Use Date: 1991-01-08

First Use in Commerce Date: 1991-01-08

ADDITIONAL INFORMATION

Disclaimer: "RACK"

MADRID PROTOCOL INFORMATION

(NOT AVAILABLE)

PROSECUTION HISTORY

NOTE: To view any document referenced below, click on the link to "Trademark Document Retrieval" shown near the top of this page.

2007-10-19 - Cancellation Instituted No. 999999

2002-06-19 - First renewal 10 year

2002-06-19 - Section 8 (10-year) accepted/ Section 9 granted

2002-04-09 - Combined Section 8 (10-year)/Section 9 filed

2002-04-09 - Combined Section 8 (10-year)/Section 9 filed

2002-04-09 - PAPER RECEIVED

1998-08-17 - Section 8 (6-year) accepted & Section 15 acknowledged

1998-06-01 - Section 8 (6-year) and Section 15 Filed

1992-06-30 - Registered - Principal Register

1992-04-28 - Allowed for Registration - Principal Register (SOU accepted)

1992-04-07 - Assigned To Examiner

1992-04-07 - Assigned To Examiner

1992-03-25 - Statement of use processing complete

1992-03-25 - Extension 1 granted

1992-03-09 - Amendment to Use filed

1992-03-09 - Extension 1 filed

1991-12-10 - Notice of allowance - mailed

1991-09-17 - Published for opposition

1991-08-16 - Notice of publication

1991-04-25 - Approved for Pub - Principal Register (Initial exam)

1991-04-18 - Examiner's amendment mailed

1991-02-16 - Assigned To Examiner

ATTORNEY/CORRESPONDENT INFORMATION

Correspondent

Patrick J. Orme

Chirstie, Parker & Hale, LLP

P.O. Box 7068

Pasadena, CA 91109-7068

EXHIBIT B

(to Petitioner's Brief in Support of its Motion for
Summary Judgment)

Int. Cl.: 20

Prior U.S. Cl.: 32

United States Patent and Trademark Office **Reg. No. 1,698,407**
Registered June 30, 1992

**TRADEMARK
PRINCIPAL REGISTER**

RHINO RACK

**RAPID RACK INDUSTRIES, INC. (CALIFOR-
NIA CORPORATION)
14421 BONELLI STREET
CITY OF INDUSTRY, CA 91746**

**FOR: WORK TABLES WITH AND WITHOUT
WHEELS, WORK BENCHES, INDUSTRIAL
SHELVING, STORAGE RACKS, AND COMPO-
NENT PARTS THEREFOR, IN CLASS 20 (U.S.
CL. 32).**

**FIRST USE 1-8-1991; IN COMMERCE
1-8-1991.**

**NO CLAIM IS MADE TO THE EXCLUSIVE
RIGHT TO USE "RACK", APART FROM THE
MARK AS SHOWN.**

SN 74-096,229, FILED 9-12-1990.

**CATHERINE KAISER KREBS, EXAMINING
ATTORNEY**

EXHIBIT C

(to Petitioner's Brief in Support of its Motion for
Summary Judgment)

Direct Dial:
+1.213.689.6588
hyu@ssd.com

April 9, 2002

BY U.S. EXPRESS MAIL

Commissioner for Trademarks
BOX POST REG FEE
2900 Crystal Drive
Arlington, Virginia 22202-3513

Re: Renewal of Trademark Registration
Mark: RHINO RACK
Registrant: Rapid Rack Industries, Inc.
Reg. No.: 1,698,407
Registered: June 30, 1992
Our Ref.: 46619.6

SN 74/096229
Dear Sir or Madam:

Enclosed herewith is an Application for Renewal of the trademark registration referenced above. Also enclosed you will find a check in the amount of \$400.00 and one specimen depicting the mark as actually used. So that we may have a timely record of this filing, please date-stamp the enclosed, stamped, self-addressed post card and deposit it into the U.S. mail.

The Assistant Commissioner is hereby authorized to charge payment of any additional fees associated with this communication or credit any overpayment to Deposit Account No. 07-1853. Please direct the Certificate of Renewal, any other documentation, or any questions regarding their issuance to my attention.

Very truly yours,



Han Yu
Attorney at Law

Enclosures

**UNITED STATES DEPARTMENT OF COMMERCE
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Registrant:	Rapid Rack Industries, Inc.
Address:	14421 Bonelli Street City of Industry, California 91746
Mark:	RHINO RACK
Reg. No.:	1,698,407
Reg. Date:	June 30, 1992
Int'l Class:	20

Commissioner for Trademarks
BOX POST REG
FEE
2900 Crystal Drive
Arlington, Virginia 22202-3513

**COMBINED DECLARATION OF USE IN COMMERCE & APPLICATION FOR
RENEWAL OF TRADEMARK REGISTRATION,
UNDER SECTIONS 8 & 9 OF THE TRADEMARK ACT OF 1946, AS AMENDED**

The above-identified registrant requests that the above-identified registration, granted on June 30, 1992 to registrant, as shown by records in the Patent and Trademark Office, be renewed in accordance with the provisions of Section 9 of the Trademark Act of 1946, as amended, 15 U.S.C. § 1059.

The owner is using the mark shown in said registration in interstate commerce on or in connection with all of the goods identified in the registration, as evidenced by the attached specimen showing the mark as currently used.

POWER OF ATTORNEY

Revoking all prior appointments, Registrant hereby appoints Han Yu (to whom all correspondence should be addressed) and Terence J. Clark, all members of the Bar of the State of California and practicing with the law firm of Squire, Sanders & Dempsey LLP, 801 South Figueroa Street, 14th Floor, Los Angeles, California 90017-5554, as its attorneys, with full power of substitution and revocation, to transact all business in the Patent and Trademark Office and in the courts in connection with the referenced registration.

DECLARATION

The undersigned being hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, and that such willful false statements may jeopardize the validity of this document, declares that he is the President of the registrant corporation and is properly authorized to execute this document on behalf of the registrant; he believes the registrant to be the owner of the above identified registration; the trademark is in use in commerce; and all statements made of his own knowledge are true and all statements made on information and belief are believed to be true.

3/26, 2002

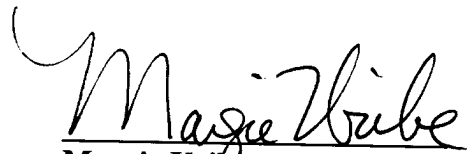
Ray Lawhon
Name: Ray Lawhon

MAILING CERTIFICATION

“EXPRESS MAIL” – Mailing Label Number: EL855978827US

Date of Deposit: April 9, 2002

I hereby certify that this **Renewal of Trademark Registration for the mark RHINO RACK, Reg. No. 1,698,407 in IC 20** is being deposited with the United States Postal Service “Express Mail Post Office to Addressee” service under 37 CFR 1.10 on the date indicated above and is addressed to Assistant Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3514, **BOX POST REG FEE**.


Margie Uribe



STEEL STORAGE RACK BASTIDOR DE ALMACENAMIENTO DE ACERO

Tough space saver for garage, shop or office.
Resistente ahorrador de espacio para el garage, el taller o la oficina.

- Five adjustable shelves with wood included.
- Modular design: builds a storage rack, workbench or wall unit (Requires multiple units).
- Heavy duty industrial grade steel components.
- Se incluyen cinco repisas ajustables y la madera.
- Diseño modular: para construir un bastidor de almacenamiento, una mesa de trabajo o una unidad de pared (requiere múltiples unidades).
- Elementos de construcción reforzados de acero industrial.

EASY, QUICK ASSEMBLY!
SE ENSAMBLA FÁCIL Y RÁPIDAMENTE!

48" x 18" x 72" High

122 cm x 46 cm x 183 cm Altura

RR 4805

Contains 1 Unit

Contenido 1 Pieza

Made in USA
Hecho en E.U.A.
© Copyright 1987 Rhino Rack Industries, Inc.
Todos los derechos reservados



BUY SEVERAL FOR
WALL UNIT OR
SHOP
COMPARE VARIOS
BASTIDORES PARA
CONSTRUIR UNA
UNIDAD DE PARED
O PARA EL TALLER

DOUBLE RIVET
BEAMS FOR
EXTRA
STRENGTH

BUILD AS A WORKBENCH
OR STORAGE RACK



REFUERZOS A LO LARGO
CON REMACHES DOBLES
PARA UNA CONSTRUCCION
EXTRA FUERTE

PARA CONSTRUIR UNA MESA DE TRABAJO
O UN BASTIDOR DE ALMACENAMIENTO